

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT

OF

ADAMS TOWNSHIP

MADISON COUNTY, INDIANA

January 1, 2004 to December 31, 2005



**FILED**  
09/22/2006



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OFFICIALS

Office

Official

Term

Trustee

Melinda Padgett

01-01-03 to 12-31-06

Chairman of the  
Township Board

James Wallace

01-01-04 to 12-31-06



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF ADAMS TOWNSHIP, MADISON COUNTY, INDIANA

We have examined the schedules of receipts, disbursements, and cash and investment balances of Adams Township (Township), for the period of January 1, 2004 to December 31, 2005. The Township's management is responsible for the schedules. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the schedule of receipts, disbursements, and cash and investment balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedules referred to above present fairly, in all material respects, the cash transactions of the Township for the years ended December 31, 2004 and 2005, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

August 24, 2006

ADAMS TOWNSHIP, MADISON COUNTY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 2004 And 2005

|                     | Cash and<br>Investments<br>01-01-04 | Receipts          | Disbursements     | Cash and<br>Investments<br>12-31-04 |
|---------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| Governmental Funds: |                                     |                   |                   |                                     |
| General             | \$ 16,958                           | \$ 31,587         | \$ 19,461         | \$ 29,084                           |
| Dog                 | 847                                 | 420               | 549               | 718                                 |
| Township Assistance | 8,843                               | 14,189            | 8,027             | 15,005                              |
| Firefighting        | 147,606                             | 147,841           | 135,116           | 160,331                             |
| Ambulance           | 122,085                             | 65,857            | 151,036           | 36,906                              |
| Library             | 1,796                               | 34,509            | 30,000            | 6,305                               |
| Recreation          | 258                                 | 5,478             | 3,500             | 2,236                               |
| Fire Equipment Debt | 13                                  | 37,438            | 28,000            | 9,451                               |
| Cumulative Fire     | 28,639                              | 38,386            | 11,000            | 56,025                              |
| Totals              | <u>\$ 327,045</u>                   | <u>\$ 375,705</u> | <u>\$ 386,689</u> | <u>\$ 316,061</u>                   |

|                     | Cash and<br>Investments<br>01-01-05 | Receipts          | Disbursements     | Cash and<br>Investments<br>12-31-05 |
|---------------------|-------------------------------------|-------------------|-------------------|-------------------------------------|
| Governmental Funds: |                                     |                   |                   |                                     |
| General             | \$ 29,084                           | \$ 39,560         | \$ 20,735         | \$ 47,909                           |
| Dog                 | 718                                 | 475               | 420               | 773                                 |
| Township Assistance | 15,005                              | 1,950             | 8,407             | 8,548                               |
| Firefighting        | 160,331                             | 73,876            | 135,302           | 98,905                              |
| Ambulance           | 36,906                              | 63,816            | 47,574            | 53,148                              |
| Library             | 6,305                               | 26,974            | 16,596            | 16,683                              |
| Recreation          | 2,236                               | 4,153             | 3,500             | 2,889                               |
| Fire Equipment Debt | 9,451                               | 26,375            | 28,000            | 7,826                               |
| Cumulative Fire     | 56,025                              | 25,466            | 11,000            | 70,491                              |
| Totals              | <u>\$ 316,061</u>                   | <u>\$ 262,645</u> | <u>\$ 271,534</u> | <u>\$ 307,172</u>                   |

The accompanying notes are an integral part of the schedules.

ADAMS TOWNSHIP, MADISON COUNTY  
NOTES TO SCHEDULES

Note 1. Introduction

The Township was established under the laws of the State of Indiana. The Township provides the following services: public safety, health and social services, culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Township uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Township in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Township on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Township to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Long-Term Debt

The Township has entered into debt such as a loan for the purchase of a fire truck. The outstanding principal at December 31, 2005, was \$120,925.

ADAMS TOWNSHIP, MADISON COUNTY  
EXAMINATION RESULTS AND COMMENTS

OFFICIAL AND EMPLOYEE SALARIES

The Township did not record the salaries of Township officials on Township Form 17. A similar comment appeared in prior Report B23940.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Townships, Chapter 13)

LIST OF EMPLOYEES NOT FILED WITH COUNTY TREASURER

A list of Township officials and employees was not certified to the County Treasurer during the examination period.

Indiana Code 6-1.1-22-14(a) states in part: "on or before June 1 and December 1 of each year . . . the disbursing officer of each political subdivision . . . shall certify the names and addresses of each person who has money due from the political subdivision to the treasurer of each county in which the political subdivision is located."



ADAMS TOWNSHIP, MADISON COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 24, 2006, with Melinda Padgett, Trustee. The official concurred with our findings.